

# STATE OF MONTANA TERM CONTRACT

Department of Administration  
State Procurement Bureau  
165 Mitchell Building  
PO Box 59620-0135  
Helena, MT 59620-0135

Phone: (406) 444-2575 Fax: (406) 444-2529

**T.C. # SPB03-37B**

## **SATELLITE TELEPHONE EQUIPMENT & SERVICES**

**This is a non- exclusive term contract.**

	FROM	July 1, 2002	CONTRACT YEAR	NEW (X)
	TO	June 30, 2005		RENEW ( )
VENDOR ADDRESS	Orbit One Communications 105 Commercial Drive Bozeman, MT 59715		ORDER ADDRESS	Same
ATTN:	Jeff Huhtanen		ATTN:	
PHONE:	888 771-9831		PHONE:	
FAX:	406 582-1444		FAX:	

Prices: Appendix A  
Delivery: Appendix A  
F.O.B.: Destination  
Terms: Net 30 days

Remarks:

IFB/RFP No.:

RFP02-514B

BRAD SANDERS, Contracts Officer

Date:

**AUTHORIZED SIGNATURE**

**SATELLITE TELEPHONE EQUIPMENT & SERVICES CONTRACT  
ORBIT ONE COMMUNICATIONS**

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1. PARTIES

THIS CONTRACT, is entered into by and between the State of Montana, Department of Administration, Information Technology Services Division (hereinafter referred to as "ITSD"), on behalf of all state entities and the Montana University System, and Orbit One Communications (hereinafter referred to as the "Contractor"). ITSD is located at 118 North Roberts Street, Annex Building Helena, Montana 59620-0113 and the phone number is 406-444-2700. Contractor information is as follows:

Fed ID	81-0534935
Address	105 Commercial Drive Bozeman, MT 59715
Phone	888 771-9831
Fax	406 582-1444

THE PARTIES AGREE AS FOLLOWS:

2. EFFECTIVE DATE, DURATION AND RENEWAL

- (a) This contract (#SPB03-37B) shall take effect on July 1, 2002. The Contract shall terminate on June 30, 2005 unless terminated earlier in accordance with the terms of this Contract.
- (b) This contract may, upon mutual agreement between the parties and according to the terms of the existing contract, be extended in one (1) year intervals, or any interval that is advantageous to the State, for a period not to exceed ten (10) years total.

3. SERVICES AND EQUIPMENT

Contractor agrees to provide to ITSD the Wireless Telephone Equipment & Services as per Appendix A.

4. CONSIDERATION/PAYMENT

- (a) In consideration for the equipment and services to be provided, state entity will pay within 30 days following a 30-day acceptance period, commencing the date the services and equipment are received and operational.
- (b) ITSD or state entity may withhold payments to the contractor if the contractor has not performed in accordance with this contract. Such withholding cannot be greater than the additional costs to ITSD or state entity caused by the lack of performance.

5.      ACCESS AND RETENTION OF RECORDS

- (a) The Contractor agrees to provide ITSD, Legislative Auditor or their authorized agents access to any records necessary to determine contract compliance. (Ref: 18-1-118, MCA)
- (b) The Contractor agrees to create and retain records supporting the services rendered for a period of three years with either the completion date of this contract or the conclusion of any claim, litigation or exception relating to this contract taken by the State of Montana or a third party.

6.      ASSIGNMENT, TRANSFER AND SUBCONTRACTING

The Contractor shall not assign, transfer or subcontract any portion of this contract without the express written consent of ITSD. (Montana Code Annotated § 18-4-141.)

7.      FAVORABLE PRICES

Contractor agrees that, through the term of the initial contract and any agreed-upon extension, ITSD will be entitled to any lower prices made available to any other customer of comparable volume.

8.      HOLD HARMLESS/INDEMNIFICATION

The Contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, and causes of action of any kind or character, including the cost of defense, arising in favor of the contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed, or omissions of services or in any way resulting from the acts or omission of the contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this contract.

9.      TAX EXEMPTION

The State of Montana is exempt from Federal Excise Taxes (#81-0302402).

10.     CONTRACT PERFORMANCE SECURITY

Contract performance security, in the form of an Irrevocable Letter of Credit, has been received by the State Procurement Bureau. All contract

performance security, except bond, will be returned to the contractor after successful completion of the contract. This security must remain in effect for the entire contract period including any extensions.

## 11. INSURANCE

**General Requirements:** The Contractor shall maintain for the duration of the contract, at its cost, and expense, insurance against claims for injuries to persons or damages to property, including contractual liability which may arise from or in connection with the performance of work by the contractor, agents, employees, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act, or omission.

**Primary Requirements:** The Contractor's insurance coverage shall be primary insurance as respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be excess of the contractor's insurance and shall not contribute with it.

**Specific Requirements for Commercial General Liability:** The Contractor shall purchase and maintain Occurrence coverage with combined single limits for bodily injury, personal injury and property damage of \$1,000,000 per occurrence and \$2,000,000.00 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the contractor or its officers, agents, representatives, assigns, or subcontractors.

**Additional Insured Status:** The State, its officers, officials, employees, and volunteers are to be covered as additional insureds; for liability arising out of activities performed by or on behalf of the contractor, including the insured's general supervision of the contractor; products and completed operations, premises owned, leased, occupied, or used.

**Deductibles and Self-Insured Retentions:** Any deductible or self-insured retention must be declared to and approved by the state entity. At the request of the state entity either: 1) The insured shall reduce or eliminate such deductibles or self-insured retentions as respect to the State, its officers, officials, employees, and volunteers, or: 2) The contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

**Certificate of Insurance/Endorsements:** A certificate of insurance, indicating compliance with the required coverages, has been received by the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-

0135. The Contractor must notify the State immediately, of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc.

12. COMPLIANCE WITH THE WORKERS' COMPENSATION ACT

Contractors are required to comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with sections 39-71-120, 39-71-401, and 39-71-405, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither the contractor nor its employees are employees of the State. This insurance/ exemption must be valid for the entire contract period. A renewal document must be sent to the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135, upon expiration.

13. INTELLECTUAL PROPERTY

(a) All patents and other legal rights in or to inventions arising out of activities funded in whole or in part by this contract must be available to the State for royalty-free and nonexclusive licensing. The Contractor shall notify the State in writing of any invention conceived or reduced to practice in the course of performance of this contract.

(b) The State shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish or otherwise use and authorize others to use, copyrightable property created under this contract.

14. COMPLIANCE WITH LAWS

The contractor must, in performance of work under this contract, fully comply with all applicable federal, state, or local laws, rules, and regulations including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the contractor subjects subcontractors to the same provision. In accordance with Section 49-3-207, MCA, the contractor agrees that the hiring of persons to perform this contract will be made on the basis of merit and qualifications and there will be no discrimination based upon of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

15. CONTRACT TERMINATION

- (a) Unless otherwise stated, ITSD may, by written notice to the contractor, terminate this contract in whole or in part at any time the contractor fails to perform this contract.
- (b) ITSD, at its sole discretion, may terminate or reduce the scope of this contract if available funding is reduced for any reason. (Montana Code Annotated § 18-4-313(3).)

16. LIAISON AND SERVICE OF NOTICES

Written notices or complaints will first be directed to the liaison.

(a) Contractor Liaison:

David Ronsen  
Orbit One Communications  
105 Commercial Drive  
Bozeman, MT 59715  
Ph: 888 771-9831  
Fax: 406 582-1444

(b) ITSD Operations Liaison:

Sibyl Govan  
Network Technology Services Bureau  
Information Technology Services Division  
Room 23, Mitchell Building  
Helena, MT 59620-0113  
Telephone: (406) 444-2861  
Fax: (406) 444-5545

(c) ITSD Contract Management Liaison:

This Contract is managed by the Information Services Division of the Department of Administration for the State of Montana in accordance with 2-17-512, MCA. Contract management inquiries and problems should be addressed to:

Doug Bermingham  
Procurement Services Bureau  
Information Technology Services Division  
118 North Roberts Street, Annex Building  
Helena, MT 59620-0113  
Telephone: (406) 444-2913  
Fax: (406) 444-4644

**17. MEETINGS**

The Contractor is required to meet with ITSD personnel, or designated representatives, to resolve technical or contractual problems that may occur during the term of the contract. Meetings will occur as problems arise and will be coordinated by ITSD. The Contractor will be given a minimum of three (3) full working days notice of meeting date, time, and location. Face to face meetings are desired. However, at the contractor's option and expense, a conference call meeting may be substituted. Consistent failure to participate in problem resolution meetings (two (2) consecutive missed or rescheduled meetings), or to make a good faith effort to resolve problems, may result in termination of the contract.

**18. CONTRACT MANAGEMENT AND IMPLEMENTATION**

All project management and coordination on behalf of ITSD shall be through a single point of contact designated as the ITSD Project Manager. Contractor shall designate a Contractor Project Manager who will provide the single point of contact for management and coordination of contractor's work. All work performed pursuant to this contract shall be coordinated between the ITSD Project Manager and the Contractor Project Manager.

Doug Bermingham will be the ITSD Project Manager.  
David Ronsen will be the Contractor Project Manager.

ITSD Project Manager/Contractor Project Manager may not be changed without the written consent of the other Party, which consent may not be unduly or unreasonably withheld.

**19. CHOICE OF LAW AND VENUE**

This contract is governed by the laws of Montana. The parties agree that any litigation concerning this bid, request for proposal, or subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (See Montana Code Annotated § 18-1-401).

**20. SCOPE, AMENDMENT AND INTERPRETATION**

(a) This contract consists of 9 numbered pages, any Attachments as required, RFP #02-514B as amended and the Contractor's response as amended. In the case of dispute or ambiguity about the minimum levels of performance by the Contractor the order of precedence of document interpretation is in the same order.



## 21. CONTRACTOR ASSESSMENT

## 22. CONTRACTOR MARKETING

## 23. EXECUTION

Legal Counsel \_\_\_\_\_ Date \_\_\_\_\_  
Department of Administration \_\_\_\_\_

**WIRELESS TELEPHONE SOLUTIONS – EQUIPMENT &  
SERVICES CONTRACT  
ORBIT ONE COMMUNICATIONS  
APPENDIX A  
DECEMBER 1, 2002**

**Cost Itemization for Satellite Telephone Equipment & Services**

**Mobile Phones**

Description: GSP 1600 tri Mode Phone	\$499.00
Additional Features:	
Voice Mail	\$7.95 monthly
SMS	\$4.95 monthly
Data 9600 bps	\$Standard airtime
Location Indicator	\$Standard airtime

**Fixed Phones**

Description: GSP 2900 Fixed Phone	\$1,899.00
Additional Features:	
Voice Mail	\$7.95 monthly
SMS	\$4.95 monthly
Description: Satellite Base Unit	\$15,000.00
(4) Fixed Phone Units	
(4) Desk top phones	
(1) Portable Weatherproof Case	
Additional Features:	
Voice Mail	\$7.95 monthly
SMS	\$4.95 monthly
Long Range Cordless Phones	\$750.00 Each

**Car Kits, Other Equipment and Accessories**

Kelley Kit (Portable car kit)	\$1,169.00
Field Kit	\$667.00
Car Kit 1410	\$749.00
Transportable bag phone	\$799.00
Solar Charger	\$625.50

Percent (%) of discount from Customer List Price (CLP) for purchase of any satellite telephone and accessories is 20%

Rate Plans for actual minutes used include the following:

**PLANS-****TIMELINE 30**

One Time Activation Charge	\$50.00
Monthly access fee	\$34.95 monthly
Voice—domestic airtime	\$0.99 per minute
Bundled Minutes included	30 domestic minutes
Low-Speed Data	\$0.99 per minute
Call forwarding	\$0.00 per minute
Voice Mail	\$7.95 monthly

**SKYLINE 120**

One Time Activation Charge	\$50.00
Monthly access fee	\$49.95 monthly
Voice—domestic airtime	\$0.75 per minute
Bundled Minutes included	120 domestic minutes
Low-Speed Data	\$0.75 per minute
Call forwarding	\$0.00 per minute
Voice Mail	\$0.00 monthly

**SKYLINE 400**

One Time Activation Charge	\$50.00
Monthly access fee	\$99.95 monthly
Voice—domestic airtime	\$0.65 per minute
Bundled Minutes included	400 domestic minutes
Low-Speed Data	\$0.65 per minute
Call forwarding	\$0.00 per minute
Voice Mail	\$0.00 monthly

**POWERLINE 1250**

One Time Activation Charge	\$50.00
Monthly access fee	\$249.95 monthly
Voice—domestic airtime	\$0.55 per minute
Bundled Minutes included	1250 domestic minutes
Low-Speed Data	\$0.55 per minute
Call forwarding	\$0.00 per minute
Voice Mail	\$0.00 monthly

**POWERLINE 3000**

One Time Activation Charge	\$50.00
Monthly access fee	\$499.95 monthly
Voice—domestic airtime	\$0.49 per minute
Bundled Minutes included	3000 domestic minutes
Low-Speed Data	\$0.49 per minute
Call forwarding	\$0.00 per minute
Voice Mail	\$0.00 monthly

Time accounting increments and minimum billing per call:

	Airtime billing increments	First minute-30 seconds
after	Minimum Time Billed	1 minute

Long distance and roaming costs:  
or roaming

No domestic long distance

Additional options and costs:

North American Wall Charger	\$39.00
Travel Charger	\$108.00
Extra Battery for GSP 1600	\$119.00
Cigarette lighter charger	\$39.00
Protective Leather Case	\$40.00
Privacy Handset for Car Kit	\$47.00
Headset Adapter for Car Kit	\$39.00
Headset Kit for Car Kit	\$20.00
Data Kit for GSP 1600	\$69.00
Pelican Case for GSP 1600	\$45.00
Chest Harness for GSP 1600	\$49.00
Satellite Packet Data Modem	
with Antenna	\$699.00
Engenius Cordless Phone	\$299.00